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ABSTRACT

Case studies of 15 leading employers in the United Kingdom were conducted to examine their career development practices. Employees, line managers, executives, and human resources professionals in the finance, energy, high technology, manufacturing, service, and public service sectors were interviewed regarding the career development practices and their importance to businesses and employees, the changing career message and its business context, and employee perceptions of career development messages. Most firms had reduced their commitment to managing their employees' career development but were under mounting pressure to reassume some responsibility for their employees' career development or risk losing and/or demotivating key staff. The case studies indicated that sustainable career development requires a degree of alignment between messages regarding employment and development. Despite the general rhetoric of career development, employers appeared to be focusing their career development efforts on senior managers and "high-potential" staff, while leaving the wider work force to manage their own career development. The case studies also documented a need for the following: appropriate and honest career development messages; workable career development processes, and real employer intentions to deliver on career development messages. (Contains 11 figures and 20 references. A list of case study organizations is appended.) (MN)

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Summary

How are major UK employing organisations dealing with career development in circumstances which we are told threaten the very concept of a 'career'? Pressures forcing change in the idea of 'career' as offering both security and progression have come from workforce reductions and frequent changes in organisation structure. They have brought declining promotion opportunities, loss of job security, a short-term performance culture, and a breakdown of the old processes by which careers were managed.

Such changes in the world of work also raise issues about the role of 'development' for those in employment. By development we mean all those activities which enhance technical or personal skills, and therefore include learning from work experience as well as education and training.

The public debate on these issues has tended to tell a simple negative story (*eg* the 'end of the career', the 'jobless society' *etc.*) or to offer particular magic solutions (*eg* self-managed careers; self-development; the learning company; lifetime learning *etc.*). This IES study tries to go beyond the stories we tell ourselves, by examining how careers are really being defined and managed in fifteen major employing organisations, many of them seen as leaders in both business and HR terms.

Shifting responsibilities for career and development

The case study organisations participating in this research have indeed been under strong pressure to re-examine their ideas about career development. Most of them have reduced the commitment of the organisation to managing the career development of the workforce. This was clearly reflected in messages to the workforce from senior managers. It was also shown in a shift away from career processes managed by the

employer (*eg* promotion boards, regular job moves) towards new processes mainly managed by the employee (*eg* personal development plans).

However, there has been less general discussion of the pressures now driving major employers back towards accepting more responsibility again for career development. These are felt when downsizing begins to level off, and include:

- the need for a flexible workforce
- the development demands of 'total quality' and 'customer focused' businesses
- the fear of losing and/or demotivating key staff, to whom the concept of 'career' is still crucial
- concern at Board level about succession

So the pendulum of responsibility for career development which often swung abruptly over to the individual, is starting to swing back again towards more of a 'partnership'. This shows in career development processes being further adapted to meet both organisational and individual needs.

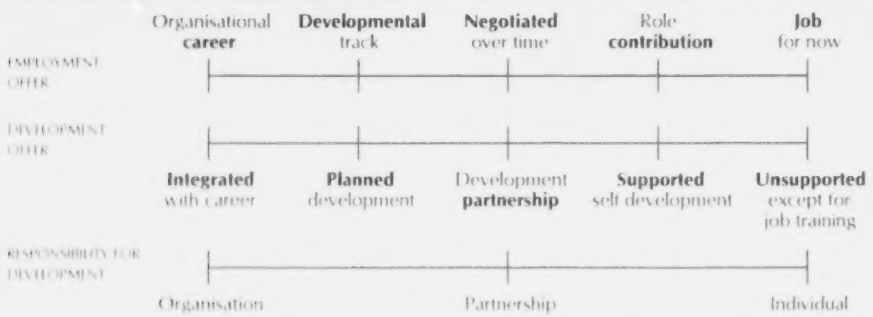
Alignment of messages about employment and development

The case studies do not, however, show a single 'answer' in terms of where this pendulum of responsibility now lies. What they do show, as illustrated by the diagram below, is a continuum of positions on the issue of career development. At one end the 'career' deal offers a high degree of integration between an organisational career and planned development. At the other extreme, the 'job for now' deal offers just that, with only enough training to make sure you do the job properly.

It is significant that this model makes explicit both the **employment** relationship, and the degree to which the employer takes responsibility for **development** — both are crucial elements.

The research suggests that a degree of **alignment** between the employment deal and the development deal is a feature of sustainable career development strategies. It also suggests that very extreme positions at both ends of the model are more theoretical possibilities than sustainable options.

The career development continuum



Alignment with business needs tends to segment strategies

What is clearly happening is that beneath the general rhetoric of career development (most often about supported self-development), real strategic positions vary from one part of the workforce to another:

Senior managers and 'high potential' staff are receiving renewed attention and are still expected to have a 'career' with the organisation, even if not a career for life. Succession planning is being strengthened, and the development of this group is usually planned.

Highly skilled workers will indeed be managing their own careers, and need to maintain their external employability. Their employment relationship is quite flexible both in duration and in the range of tasks, roles or jobs embraced over time. It is in the interest of organisations to meet such people half-way in their career development and find creative ways of accommodating their own life and career goals through explicit negotiation.

The wider workforce presented the case study organisations with a real problem. The 'contribution' position (where self-development is seriously supported in exchange for a broader contribution to business performance) is a likely strategy in organisations where all workers are perceived as making a real difference to the bottom line. In organisations still uncertain about their business and employment futures, most of the workforce were really only being offered a job with little support for development.

Closing the rhetoric gaps

In discussing these issues with executives, HR professionals, and employees, it became apparent that the rhetoric of career development is by and large not believed by the workforce.

The experience of the organisations in this research project points to three key gaps, each of which needs to be closed before rhetoric and reality align.

An appropriate and honest message. The first gap is between the needs of the business and the stated message from the top about careers and development. This gap occurs either because the career development position is muddled, or because it is poorly or dishonestly communicated. In particular, the real career development position may be segmented, belied by a universal message.

Workable career development processes. The second gap is between the career development positions adopted and the processes or interventions which HR people put in place. At present these processes do not seem to align with the message, they do not fit together, and they are not well understood.

Real intention to deliver. The third gap is between the formal messages — of policy and/or processes — and the reality of employment and development practices. This gap obviously occurs if the message is dishonest. It also occurs if employees see that processes are not really used, because they are not backed by appropriate commitment and resources. It is this gap which causes the workforce to see career development strategy as mere rhetoric.

What employees and their managers need at present is a much clearer view of:

- the assumptions the company is making about their future employment, and its intention to support their development
- practical processes for deploying people and delivering development which are consistent with these intentions
- the resource and commitment to get these processes used.

This research offers some simple models which organisations can use to test out their evolving strategies, and practical tips on effective implementation.

1. Career Development: a Business Issue

1.1 The importance of career development

Career development is an important issue for organisations. By attracting, retaining and developing its workforce, an organisation achieves the resilience that is required to survive in an increasingly turbulent business environment. The end result of successful career development practice is that an organisation is better placed to adapt and survive in a competitive business climate and is better equipped to face the future. Successful career development practice is therefore designed to give an organisation competitive advantage in attracting, retaining and developing the best people.

The term 'career development' itself implies that there is a career to be developed. However, it is no longer appropriate to think of a career as progression up an organisational career ladder. Rather the term 'career' is used simply to describe a person's work experience over time. The term 'development' covers all the things a person learns from experience as well as from courses and other training activities. It covers personal development as well as technical training and professional development. Concerns about skill development at a national level have stimulated a number of initiatives (*eg* IiP, NVQs, TECs) to raise the skill profile of the UK workforce. Many of these have had a considerable impact on development practice within employing organisations.

We distinguish career management, what the organisation does to try and develop its employees in line with business needs, from career development, which is defined more widely as covering the things people do for themselves as well as those that are done for them.

1.2 Why we have been looking at career development strategy

The development of a strategy for career development is being recognised increasingly as an area of major challenge for organisations. A strategy for career development needs to embrace our changing ideas about what a career consists of as well as our changed assumptions about development.

Many organisations are talking about the importance of learning and development as an integral part of their business culture. This new emphasis is meant to replace the old view that tended to see training as something that was separate from the job, both physically (it took place away from the workplace) and conceptually (people had to be trained before they could do anything). The new approach stresses that both doing and learning take place at the same time as part of the normal work process. However, increasing work pressures, especially those on line managers, create a difficult tension when these same line managers are meant to take the lead in providing learning and development opportunities.

As people in organisations grapple with how best to implement this new approach to learning and development, they are also faced with the disappearance of the old career contract based on mutual trust that offered job security and advancement. In its place, organisations frequently stress that no-one's job is secure any more and proffer a new career deal, frequently stressing that future employment is conditional on current work performance. Past loyalty and previous good performance it seems no longer count.

How are these issues perceived in organisations? There is a need to know what is really happening. This report is based on a research study carried out in 15 organisations (a list of participating organisations and the letter code used for each one is given in the Appendix). They are all large, well-established major employers and their experiences may have been different from those of smaller or newer organisations.

In each participating organisation a small number of interviews were conducted with senior managers, senior HR managers, line managers and employees. The interviews reviewed the strategy, policy and practice of the organisation with respect to career development. To the extent that the interviews involved

those who designed or were responsible for an organisation's career development strategy as well as those who were on the receiving end, the research aimed to examine the extent to which the 'rhetoric' matched the 'reality'.

More generally, at a time when traditional approaches to career management are under a variety of pressures, the research aimed to examine how organisational career management processes were responding. It should be remembered that the findings presented here represent a snapshot of current organisational practice at the time the case studies were carried out. In reality, practice is constantly evolving and the circumstances of any particular case study may have changed significantly in the meantime.

1.3 The structure of this report

We start with a relatively simple initial model of how career development strategy might be determined (see Figure 1.1). This suggests that career development processes should match with, and follow from, the business context. How well these processes are operated determines career development practice in the organisation, that is the experience of employees of the career development processes.

Figure 1.1 : Career development and business fit: an initial model

One aim of the research is to refine this model and to understand better the interrelationships between the three components we have identified. However, we have decided not to present our argument in a 'top-down' way starting with the business context, then going on to describe what is happening in the case study organisations and using this information to provide evidence of effectiveness. Instead we propose to start by reviewing what is happening to career development processes (Chapter 2) and then go on to try and relate this to the business and HR strategies of organisations (Chapter 3). Only then will we present our evidence for effectiveness as seen by those at the receiving end (Chapter 4). We conclude by presenting our revised model of how career development strategy should be evolved (Chapter 5). Of particular importance are the linkages between the different boxes in the model.

One reason for structuring the report in this way is that organisations rarely start from a blank sheet of paper. While business strategy and rhetoric may change rapidly, for example with the appointment of a new chief executive, processes typically evolve more slowly, and underlying culture and practice (which are made manifest by how people treat each other) change slowest of all.

This report is aimed chiefly at senior managers and HR directors because they have ultimate responsibility for defining the shifting relationship between the business they steer and the people who make it work. The career development aspect of this relationship is a crucial one. Our argument is that many organisations do not recognise the close links that should exist between the strategy for career development and the overall business strategy.

2. What is Changing?— Trends in Process

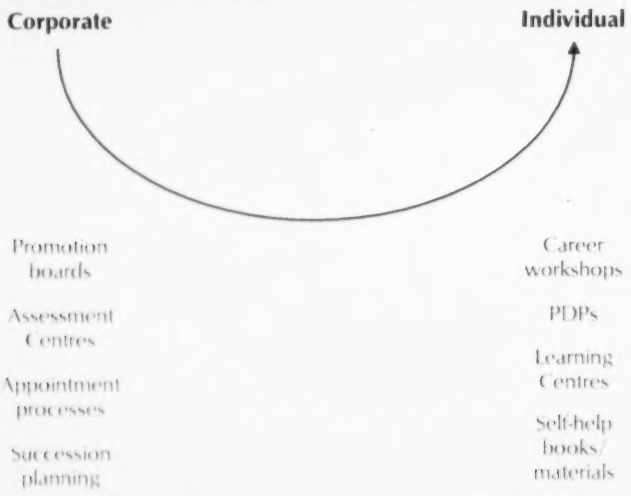
2.1 The key trend — new types of career development process

If we look at the types of career development processes that exist in organisations, what do we see? Ten years ago most career development activity taking place in organisations was focused on key staff groups *(eg* graduates, high fliers, senior managers, specialists) and was designed and managed centrally. Relatively few processes were used by employers to manage the careers or development of these select groups of people. The processes that existed focused on assessment. This might be either the assessment of long-term potential or a selection process for a particular position. Organisations used appointment processes, such as assessment centres, promotion boards, interviews and assessment using psychological tests, both to govern access to these key groups and as the only way of managing the careers of the wider workforce.

On the other hand, development was managed by providing access to key jobs and specialised training. Typically, the early careers of high flyers — graduates or professional recruits — involved a mix of career and special development opportunities (*eg* intensive training courses), and succession management for more senior staff consisted primarily of planned job moves sometimes topped up with special training opportunities (*eg* courses at university business schools or the employers' own management training centres).

For the majority of the case study organisations, as Figure 2.1 illustrates, the pendulum of ownership of career development swung in the late 1980s or early 1990s to a position that emphasised the role of the individual in driving career and development processes (*eg* Cases F, I, J, H, A). New activities,

Figure 2.1 : Changing ownership of career development activities



such as career workshops, personal development plans, learning centres and the provision of self-help books and open-learning materials were typical of this shift. Personal development plans have been a particularly popular initiative (*eg* Cases B, I, D, E, M).

When many of these initiatives were first introduced, they were frequently seen as a positive way of motivating employees. When organisations talked about their employees as a key resource, offering development was seen as one way of maximising the potential of *all* staff.

More recently there have been other business drivers for this shift. These are discussed in Chapter 3, but have included:

- **Downsizing** — many organisations had experience of offering career support (*eg* outplacement services) to people who were leaving the organisation. Why not offer equivalent activities to those who remained?
- **Devolution** — as organisations restructured and devolved responsibility for HR processes to business units, there were strong pressures at the business unit level to respond to the frequent employee demand for development.

- **Delayering** — re-engineering of business processes has frequently resulted in the disappearance of whole layers of the organisational hierarchy and caused considerable uncertainty about possible career routes.

Of course, not all organisations have been affected by all these changes and the timing of change has also varied considerably between sectors. For example, many manufacturing organisations lost employees as a result of technological changes throughout the 1980s, while similar changes are currently taking place in the financial sector and for white collar employees.

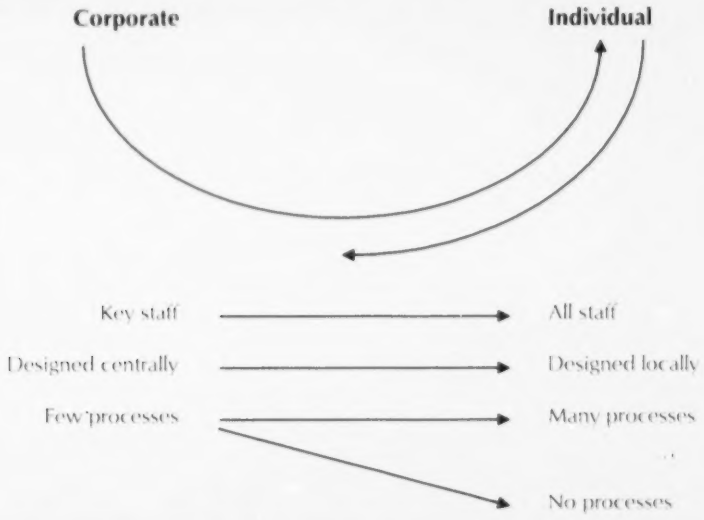
One of the key ways that these new career and development activities differ from the older corporate processes is that they are designed to provide information to the individual rather than the organisation. Corporate-centred activities were largely designed to generate information about people for the organisation to use. They aimed to assess people for jobs, spot talented individuals and reassure the organisation that it had both the right number and appropriate quality of people that it required for the future.

By way of contrast, many of the new activities provided information directly to the individuals participating in them. Usually they provided no information directly to the organisation, and whether the organisation received any information from these processes depended on the participants deciding voluntarily to share the outcomes with their line managers or the personnel function (Cases D, F). However, empowering employees to take responsibility for their own career development was intended to increase motivation, with resulting business benefits.

The introduction of new individual-centred processes did not necessarily mean that corporate processes were discontinued, but often their focus became restricted to those people who were perceived to be 'owned' centrally in a career sense rather than owned 'locally' by a devolved business unit.

In some cases the new processes were initially targeted at specific groups of employees, for example people at a particular career stage, who might be new recruits, people completing development programmes, or employees who appeared to have reached a career plateau. Some activities were intended to address past imbalances and so many organisations introduced a

Figure 2.2 : Focus of career development activities



variety of initiatives to help women develop their careers. Usually, it was realised that all staff could benefit from these processes and they were gradually made more widely available.

Figure 2.2 summarises three key changes in the focus of career development activities. The shift in focus from key (or selected) staff to all staff was often accompanied by a shift in where the processes were designed and implemented. The consequence was that organisations typically ended up with many more processes than they had previously. However, in one or two instances, faced with an unpredictable future, nearly all activity in this area was abandoned and the only message given to individual employees by these organisations was that they had to manage their own careers.

Not surprisingly, after an initial honeymoon period questions began to be asked:

- Are people using these new activities?
- What are they getting out of them?
- How do we know if it is all worthwhile?
- What is the business pay-back?

2.2 Adapting to new needs

The trend towards these new types of activities required organisations to put considerable trust in their employees, with resultant tensions about ownership and control.

Career processes centred too much on individual responsibility were seen by some as:

- insufficiently linked with the skill needs of the business
- difficult to implement successfully
- not necessarily providing the required development for key groups.

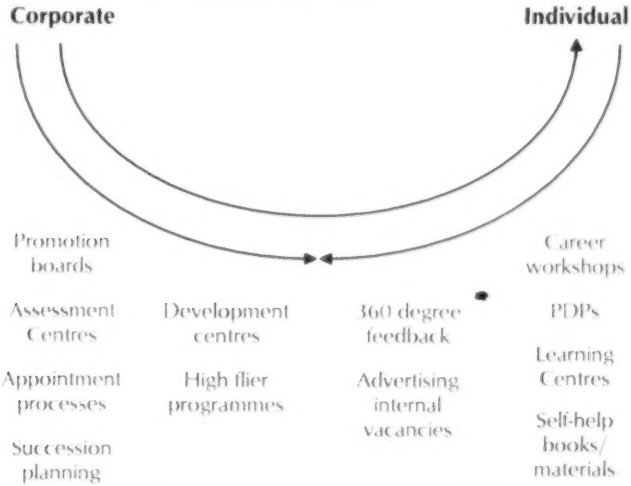
In some cases, these difficulties, combined with cost pressures, have led to a retreat from the active support of self-development initiatives (*eg* Cases F and A). In the majority, they have resulted in another and more subtle shift in the positioning of activities (see Figure 2.3). This has involved the repositioning of existing activities.

One interesting feature of the way that organisations are now using these new processes, and this applies both to development centres and 360 degree feedback, is that often, but not always, these processes are used to provide information both to the individual and to the organisation. This repositioning has meant that the ownership of processes is therefore being shared between the individual and the organisation. In Figure 2.3 this is shown as a convergence between older corporate processes and newer, individually focused processes.

Some of the more specific trends we see in this recent round of adaptation are:

- In some organisations, which had all but abandoned centrally managed and corporately controlled initiatives, corporate processes are being reinstated but often in a modified form. For example, the fast pace of business change means that many organisations are extremely concerned about how best to develop their potential senior managers, and this has often led to a revival of interest and activity in succession planning (*eg* Case I). However, the succession process itself is likely to be less secret than in the past and involve the individual more (*eg* Cases M, J, G).

Figure 2.3 : The repositioning of career development activities



- Other processes used for high potential staff and senior managers have taken on some of the style of self-development, although the driver for their use is still clearly corporate. We see this in the use of development centres for this group (*eg* Cases A, K), 360 degree feedback (*eg* Cases J, K), and the use of PDP's for senior managers (*eg* Case O).

- An increase in openness in corporate processes for all staff. For example, an increasing proportion of internal vacancies are advertised to all staff even if more secretive appointment processes are reserved for some, usually senior, positions. It is important to realise that an activity such as deciding to advertise internal vacancies actually involves the exchange of information between the individual and the organisation. The organisation is clearly providing information to its employees by advertising internal vacancies, but what is often not appreciated is that by applying or not applying for the advertised vacancies, individuals are also supplying information to the organisation about their career intentions and interests.

- The extensive use of competence frameworks in career development: in corporate processes (*eg* Case J); appraisal (*eg* Cases N, J, K); training (*eg* Cases C, K); and appointment (*eg* Cases F, K). Competences are seen as one way of building a bridge between corporate needs and individual development, although some have found them rather inflexible for use in this way (*eg* Case M).

This development of hybrid approaches to career development which straddle the ownership of company and individual is, however, an interesting one. Chapter 3 discusses in more depth the underlying career 'partnership' such an approach implies. The sharing of assessment information and personal plans between individual and organisation required by this approach is, however, an extremely sensitive issue. Individuals need to be very clear who will use the information they give and for what purposes, if they are to trust the organisation in this way.

2.3 Managing change and continuity

What is clear is that as the pendulum has swung over towards processes focused more on individuals and now back again to some extent, organisations have experienced a number of difficulties. Key problems have been:

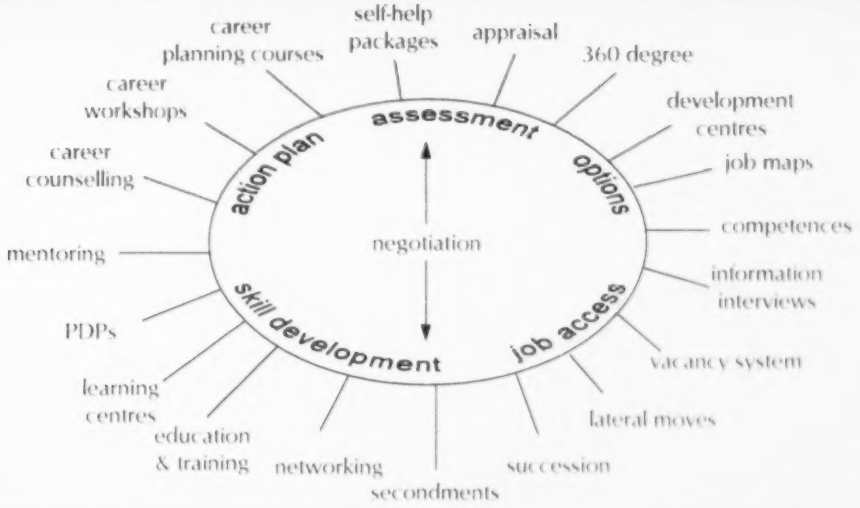
Lack of continuity — this has been manifest in a variety of ways. One of the most obvious is that individual processes have been started and stopped for reasons that do not appear apparent to employees. This might be called an in/out syndrome where new activities are developed, implemented and run for a short period of time, but then discontinued. One consequence is that processes do not become embedded in the organisation and as a result employees are confused about which processes are available to them and what particular processes involve.

Lack of integration — this has often been brought about through the proliferation of activities which are either not consistent with each other, overlap in terms of content, or alternatively, by the non-existence of certain processes on which other processes depend. For example, many initiatives to encourage employees to engage in development planning require information on available job opportunities, or on job content and training requirements, for them to be successful.

Difficulties in achieving desired outcomes — employees have been frustrated when either processes do not exist, or there is considerable resistance from managers to delivering some of the career changes that employees most want, most notably lateral career moves between different parts of an organisation.

Lack of evaluation — while many new initiatives have been introduced, few have been properly evaluated. Decisions about whether particular activities should be continued have only infrequently been made on the basis of a detailed review of outcomes and benefits.

Figure 2.4 : The core functions of career development



The issues of integration and implementation will be seen from the employees' perspective in Chapter 4.

2.4 A minimum set of career development processes

If proliferation and lack of integration of career development processes are a problem, how might they be addressed? Might there be — in some sense — a minimum set of processes required for effective career development?

There may not be a simple ideal set of processes, but Figure 2.4 is a model of a minimum set of career development functions. As this diagram shows, there are indeed many processes which may be used (around the outside of the diagram), but they may all be performing relatively few central functions (in the inside of the diagram). These key functions are:

- assessment of skills, knowledge, attitudes *etc.*
- the supply of information on job options and what skills they require
- a career and development plan

- access to skill development
- access to other jobs or work experiences.

These key functions obviously need to apply to employees whose careers are being directly managed by the organisation, in which case the organisation owns these functions, or perhaps shares some of them with the employee. However, the same functions apply to those who are responsible for their own career development. Employees need to carry out the same set of functions for themselves if they are to be protected from long term unemployment and maintain their employability. In this case, the plan and its actions may be focused on the external labour market.

We can see the functions in the upper part of the diagram (assessment, options and action plan) as being concerned with thinking about career development. Those around the lower half (skill development and job access) are concerned with action. If the individual needs the support of others in achieving such action, then some kind of negotiation process is required which mediates between the 'thinking processes' and the 'action processes'. Effectiveness in meeting these objectives demands an organisational culture which will support this kind of negotiation.

By focusing on the functions that career development processes are meant to support, this model can be used to assist organisations in developing a coherent set of processes, that is a minimum set that meets all the five functions we have identified. The model also makes clear the need to have both 'thinking' and 'action' processes as well as mechanisms for linking these different types of process together.

2.5 Summary

In many organisations the pendulum of career development ownership has swung back and forth, and sometimes it has seemed that there are a variety of unsynchronised pendulums that are swinging completely independently in different parts of the same organisation. While the trend is for more thoughtful and balanced introduction of processes, many organisations still run what can be seen as competing HR agendas, such as claiming to have a strong development culture but using

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development reviews as part of the performance-related pay process.

It is also important to realise that many career initiatives, as well as employees' career plans, work to a medium-term and not a short-term agenda. This can cause difficulties given the short-term business agenda of many employers.

The underlying issues that we have raised in this chapter concern the ownership of the career, and the often diverse messages that organisations give to employees on this topic. A particular concern is when messages about careers are very different from messages about development. How to align processes with the underlying organisational view about career development, is discussed in Chapter 3.

There is also the need to get a clearer and more integrated set of career development processes. We have raised the issue of a minimum set of processes and stress the need to be aware of the underlying functions of such processes if career development is to be effective. We return to this in Chapter 5 which is concerned with achieving fit and coherence in career development strategy.

3. The Changing Career Message and its Business Context

In looking at the pattern of career development activities, we have seen some clear trends. Of these, the most significant is the emphasis on new career development processes which aim to help individual employees take charge of their own careers.

In this chapter we try to get behind the media hype proclaiming the 'end of the career' — even the 'end of the job'. We use the case study evidence to take a more realistic view of the changing fundamental assumptions about 'career' which have been going on underneath the process changes already observed. We examine the business issues which have called the old career models into question. We will also look ahead, and see how the changing balance of business priorities will continue to affect career development strategies.

3.1 The 'anti-career' drivers

Major employing organisations in the UK have faced a number of common tensions and issues which have, taken together, amounted to a pressure to dump the basic idea of the corporate career.

1. Commercial competition, technological change and economic recession have caused many large organisations to seek cost savings through workforce reductions. In the public sector, the additional pressure to 'market test' and contract out has also been a key driver for change.
2. The shift from an expanding workforce to a contracting workforce has brought about a rapid decrease in the opportunity for promotion which was part of the old career assumption.

3. Where contraction has been sharp enough to mean widespread compulsory redundancies then the whole employment relationship has started to shift — perhaps irreversibly. Set against the fear of job loss and mistrust of the company's intentions, the old 'career' is soon a half-remembered dream.

4. Genuine external threat plus the notorious short-termism of the City, have made the 1990s a paradise for the old fashioned slave-driver. For all the talk of 'empowerment', never have so many been disempowered by so few. To keep your job you have to work harder than ever, and pitch that effort at this year's profit. The rather ineffective carrot of performance related pay, and the only too real stick of job loss have focused many employees' minds on short-term survival. Things that stretch further into the future — like 'careers' and 'development' can seem to have little place in this short-term world.

5. Changes in organisational structure can seem to be the final nail in the old career coffin, and had affected all of the case study organisations significantly. Career paths are harder to see in organisations where functional structures are replaced by market structures. Fragmented profit centres feel little responsibility for each others' people, and seeking staff from outside can be easier than trying to redeploy staff between different parts of the same organisation. The frequency of re-organisation never gives new career paths a chance to emerge. The goal posts change faster than the speed at which people can run towards them. It is tempting to say there are no career paths in such turbulent organisations — untrue of course, but easy to say.

6. De-layering, in particular, has been undertaken with little consideration of how the delayered jobs will be filled in future. Promotion jumps can become so big that organisations end up filling jobs from outside because leaping the promotion gap from inside seems too risky.

7. Changes in the personnel (now 'HR') function have swept away the old career processes, seen as bureaucratic and too centralised. The people who used to plan job moves have gone too, so who (if anyone) can manage career development? Giving individual line managers responsibility for career development tends to reinforce the short-term pressures, especially when those managers themselves are being judged on the short-term performance of their unit.

8. Against this backcloth, uncertainty itself also becomes a driver for change. Will yet more jobs go? Will the organisation be taken over? What business change is round the corner? What

will the new Chief Executive do? When will the next re-organisation come? It seems unrealistic to even talk about careers when no-one knows what fire they will be fighting next.

The pace and nature of these pressures vary considerably according to the business situation of the organisation. For some organisations (especially in manufacturing — for example Cases B, G and J), these pressures have steadily grown over the last fifteen years or so. For them the notion of job security and the traditional hierarchical career have been gradually eroded. For others (*eg* especially in the finance sector — Cases C, A, E, O) the pressures have come much more rapidly in the 1990s, and the experience of mergers, take-overs, radical re-organisations and large-scale job losses has been truly a shock. Financial pressures are now very strong in the service sector (*eg* Case M, F, N). In many organisations (*eg* Cases D, F, K) periods of managed change have mixed in with periods of much more rapid and discontinuous change.

3.2 'Over to you' — the self-managed career

It is hardly surprising in the face of these pressures, that the old notion of the corporate career seems out of place. Employees have sensed this for themselves, as we will see in Chapter 4. Several of the case study organisations had also responded by sending quite explicit negative messages about careers, such as:

> *the organisation can no longer offer job security . . . or cradle to grave employment*

> *the organisation cannot offer career progression . . . promotion will be the exception not the norm.*

The problem with saying that the organisation cannot offer careers any more is that it does not add up to a new career development strategy — especially when some people manifestly do still get promoted. Senior managers, knowing this full well, look around for something better to say.

So what do they say next? Many have tried to make a positive strategy out of converting the statement — *we can't promise you a career* — into the statement — *our employees are responsible for their own careers.* This sounds rather as though your career is a valuable gift being handed back to you by a generous organisation. What the organisation is really saying is *all this*

Figure 3.1 : The 'over to you' career swing

career stuff is far too difficult for us, so we're giving it to you. This is the underlying shift illustrated in the first round of process shifts seen in Chapter 2. Employees are quick to see this shift in responsibility, as shown on Figure 3.1.

Depending on the speed and severity of the business pressures above, this pendulum of career ownership has swung at different times, speeds and distances. In organisations managing change in a fairly evolutionary way (*eg* Case G), the pendulum has gradually moved away from corporate career ownership. In those facing sudden changes in business strategy, with revolutionary implications for employment, the swing has gone faster and often much further (*eg* some parts of the public sector — cases F and H). Even in some organisations where change had been coming for a long time (*eg* Case J), senior managers chose to send a message about shifting career ownership as part of a deliberate shift in the employment culture of the company.

In some cases, often those with a paternalistic history (Cases A, F, J), the rhetoric of 'self-development' was very quickly followed by attempts to offer support for individuals in managing their own careers. We will see below that not all of this activity has been sustained.

3.3 The 'pro-development' drivers

This first swing of the pendulum has been strongly reflected in the numerous interventions aimed at getting employees to manage their own careers and development (already seen in Chapter 2), and in the media assumption that there has been a sudden change in the nature of employment and careers.

However, the case study companies can now see some pressures starting to work in the reverse direction. These pressures are nudging organisations back from the radical 'over to you' position of career ownership.

- Leaner organisations need more flexible people who can respond to ever-changing business needs. A very transactional approach to people — *we employ and reward you for the task you are here to do* — does not actually yield people who are able and willing continuously to change the tasks they do. So organisations still need people who will be with them for some time and who will be able and willing to take on a sequence of different jobs or roles, often of increasing complexity. In other words, they still want people who will have careers with them.
- The quality and customer centred approaches to business which have become so influential in the 1990s lead to business strategies which are extremely dependent on highly motivated, proactive employees at all levels. They require employees, even at lower levels, who are much more than just well trained to do a task. They demand considerable personal development of employees, and employees who are interested in the medium-term success of the enterprise.

Both these pressures have stimulated interest in establishing cultures of continuous improvement through continuous learning — the so-called 'learning company' idea. They lead to employment strategies which are stronger on development, frequently reflected in mission and value statements which also emphasise workforce development. These positive messages about development then seem glaringly at odds with the very negative messages still being sent about job security and careers.

There are also some pressures arising directly out of shifting the responsibility for career over to the employee:

- A laissez-faire approach to careers leaves the Board feeling very unsure about where the next generation of senior managers will come from. The strong re-emergence of succession planning, as seen in Chapter 2, is patently at odds with the 'over to you' school of career development.
- There are some signs of a re-centralisation of employment policy, as new Chief Executives want to get some coherence back into their now smaller and very fragmented organisations (*eg* Cases D, J, I). More centralised personnel strategy is likely to be less short-term and place more emphasis on skill and career development.

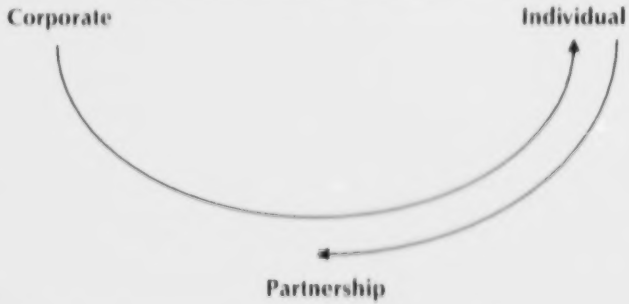
- Skilled and valuable employees (especially, but not exclusively, experienced professionals) are still operating in a very negative climate. Employers know that their staff are demoralised and fear that they are demotivated. They also fear that many good people will leave, when the labour market permits, and their skills and experience will be impossible to replace. They know that careers still matter for such people, and wonder what kind of more positive message on careers they can send. This driver was particularly strong in organisations with a highly skilled workforce (*eg* Cases D, J, K, N), especially where numbers were levelling out after downsizing.

- Interventions designed to get employees to manage their own careers have not worked without high levels of effort. The first round of initiatives often assumed that sending employees on a workshop, or giving them a form on which to write their own Personal Development Plan would set them on the path to self-managed careers (*eg* Cases A, F, J, H). Such organisations are now split between those who have backed off to some extent (*eg* Cases A, F) and those taking a stronger partnership role in career development (*eg* Case J).

3.4 A range of positions on career development

We have already seen that the 'anti-career' drivers tended to lead to an underlying shift in the ownership of career development from the organisation to the individual. So the 'pro-development' drivers can represent an underlying move back from this extreme position to a more accommodating one in which the organisation accepts some responsibility for development, or a kind of partnership, as shown on Figure 3.2.

Figure 3.2 : Shared responsibility for career development



Indeed Case J was clearly using the word 'partnership' to express this change, and other organisations were heading in the same direction (*eg* Cases O, K).

In this kind of 'partnership', individuals still 'own' their own careers — as obviously everyone does anyway — but the organisation offers active support for the wider development of individuals. This pendulum swing back from the 'over to you' position conceals a wide variety of different ways in which employers may seek and encourage development, as we have already seen in the second round of process adaptation.

This variety shows up in what companies are now saying publicly about career development.

We offer continuous training/ learning — for example 'Formal training programmes and on the job coaching are helping us all to develop our skills' (Case N).

We support the development of all our employees — for example 'All individuals have responsibility for their own personal development, with support and advice from their line manager' (Case E).

We help our employees manage their own careers — for example 'A Career Support service will be available to all employees' (Case E).

We encourage our employees to engage in their own development — for example 'Personal development planning by individuals is encouraged' (Case J). This is related to the idea of 'employability', the implied message in several cases (eg C, E, M).

In addition to these general statements, there has been a reinforcement of a positive message for high potential staff — *we always were managing your career with you, and we still are* — a reflection of renewed attention to this group. For example 'Staff with potential to hold management and senior management positions are identified. Existing managers participate in their development and deployment' (Case J).

These newer career development messages are, however, much less clear than the negative messages which preceded them. One reason for this is that they apply to different groups of staff in different ways, as we will see later.

The second reason for confusion is that the word 'development' is often used without defining clearly what it means. Its many meanings might include all or some of:

- training in skills related to current job
- training in wider generic skills, *eg* personal skills
- access to externally recognised qualifications or continued professional development
- the opportunity for varied experiences within the current job
- the opportunity to apply for other jobs or assignments
- a planned programme combining skills training and work assignments.

The third problem seems to be that the terms in which career development messages are couched, deal with different aspects of the relationship between the employer and employee, as shown on Figure 3.3. In particular, some of the messages relate to the assumption about future employment and therefore career. Others relate to the degree and type of support for training or development.

This model represents a continuum of choices, which we can illustrate by significantly different kinds of career development strategy — or position — with differing degrees of engagement between employer and employee:

- The extreme 'over to you' career position is really one in which the only employment offer is of a '**job for now**'. The employee gives performance in a today's task or job in exchange for job-

Figure 3.3 : The career development continuum

related training. Such employees carry the responsibility for their own broader development and career as their employer is unlikely to do so. For some employment may be very short-term — 'perform or out'. Beyond this model — to the right hand side — lie subcontracted work and self-employment.

- At the other extreme, the **career** position is one in which the prospect of a medium term organisational career still exists. The organisation takes more control in this case and offers development integrated with a sequence of work opportunities. In exchange, the employee puts their experience at the service of the organisation.

- A wide range of positions in between these two revolve around **negotiated** employment relationships, in which the employee gives the organisation expertise in exchange for the opportunity to maintain or enhance their employability. In such positions, the responsibility for development is shared in a partnership between employer and employee, and is also the subject of continuous negotiation.

There are some interesting options between the 'job for now' and negotiated positions. For example, more significant support for development may be offered where the organisation wants a wider **contribution** from the individual — more a role for now than a job for now. We see this in some service organisations, for example, where lower level staff will be offered wider personal skill development in addition to purely job-related training. This is because the organisation is looking for a wider contribution from these people in terms of service quality and improvement. This position falls short of the negotiated offer because access to wider work opportunities is often limited, and the employee has only very limited power within the internal labour market.

Somewhere between the negotiated and career positions are career offers, but of a temporary or conditional nature. We call this the **developmental** track position because short-term planned development and career progression are most often associated with some kind of training or development scheme.

This model assumes that the two dimensions — of employment relationship, and of development offered — run in parallel, and are aligned as the diagram shows them. This model has emerged from the way the case study companies talked about their emergent relationships with employees. They seem to suggest that such alignment is important, but it is a hypothesis which needs more careful scrutiny.

The alignment shown on Figure 3.3 also raises significant questions about the current buzzwords — **'employability'** and the **'learning organisation'**. Neither of these terms was used with confidence by the case study organisations, partly because they are terms which seem to have hazy meanings, but maybe also because they present problems in practice.

The learning organisation deal is certainly unclear in the terms of this model. Most simply, it could equate to the contribution position. However, it can be taken to imply employment positions ranging from 'job for now' right through to 'negotiated', and a wide range of corresponding development deals.

'Employability' in the terms of our model is only seriously delivered by the 'negotiated' position. However, the term is generally taken to mean an offer of increased external employability (usually through either negotiated development or supported self-development) against an employment position which can be 'job for now'. It seems that an 'employability' deal which offers development support in excess of the real scope for using that development in the workplace, may not last long. It may work for a while, if the employee is going to leave the organisation, especially through planned redundancy. If the employee stays with enhanced skills they will feel cheated if the company shows no interest in using their increasing potential contribution, through access to more varied work experiences.

'Self development' also needs defining in relation to this model. If it literally means developing yourself, it is a reflection of the 'job for now' deal. If, however, it implies the active support of the organisation, it is the more natural partner of a 'contribution' relationship.

The issue of the alignment of employment and development positions is one of the fundamental issues raised by this research, and will reappear in Chapter 5.

3.5 Different deals for different groups

Although companies are mainly still using a rhetoric of career development which seems to apply to the whole workforce, the case study organisations actually reveal different approaches to

different workforce groups. With paternalism unlikely to make a comeback, the position for a particular group of workers needs to be in line with how each group is valued by the business and what it is valued for. Part of this value depends on how long the employment relationship will last, and by how much the contribution of the employee can increase during that time.

The case study organisations tended to identify three distinct groups of employees when talking about their evolving career development positions.

3.5.1 Senior managers and 'high potential' staff

Large organisations with a history of succession planning have not stopped doing it (Cases D, G, H, J). Several have looked hard at this issue recently and decided they need to continue to plan to fill key posts and to develop 'high potential' people. Most of the rest of the case studies showed an increase in attention to senior management development (eg Cases E, K, M, O, A, C). The position here is still clearly a career deal (see Chapter 2), although the career may be of more varying lengths and not always for life. But career it will be, and still predominantly managed by the organisation, although with increasing involvement of the individual. In contrast, senior managers and Board members coming in from outside are more likely to find themselves in the 'job for now' position.

3.5.2 Highly skilled workers

It is no accident that the negotiated career model was popular in those case study organisations with a high representation of graduate/professional employees (Cases J, G, D, L). These people will indeed be managing their own careers, and may be more likely to move from one organisation to another. They have a strong interest in maintaining their external employability, as well as making the most of internal development opportunities. Their employment relationship is quite flexible both in duration and in the range of tasks, roles or jobs embraced over time. However, organisations wishing to recruit and retain such staff (even for a few years) have to offer quite rich access to skill development (both personal and technical) and serious access to internal work opportunities (varied projects and jobs). In labour markets which are usually risky, it in the interest of organisations to meet such people half-way by offering career

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development and finding creative ways of accommodating their life and career goals. If key professionals stay with their organisations for a long time, many elements of the conventional organisational career will still be relevant.

3.5.3 The wider workforce

Where the case study organisations face real difficulty is in articulating which career position is on offer for the rest of their workforce. As one put it *'we really don't know where our support staff fit into all this'*. The tension here is because the balance between give and take is harder to assess.

At one extreme we might see all employees as 'key workers', in the sense that their skill and commitment make a real difference to the bottom line. So considerable investment in the development of every employee will pay off, and a 'negotiated' approach to career and development should be on offer to virtually all employees. We have already seen this kind of shift occurring in a variety of manufacturing settings, although they probably come closer to the 'contribution' position than a truly 'negotiated' employment deal. None of the case study organisations were really offering negotiated employment opportunities to all employees. Several had policies in line with the contribution position for the whole workforce, but were not really delivering it.

Although the 'job for now' position appears to be a consistent one, it may not be sustainable except for jobs requiring a rapid turnover of low-skill, low-commitment staff.

The wider workforce position was most difficult to define in those case studies with large numbers of clerical staff. They also tended to be facing considerable uncertainty about their future demand for such staff. In such organisations, the development rhetoric was often very positive, but the employment and development realities were actually much more limited (Cases H, I, O).

The career positions for junior and middle managers were discussed much less often in the case study companies. In some (for example Case M), middle managers were treated rather as technical experts might be, and the deal was implicitly based on employability. However, for the most part, one suspects that many managers do not know where they stand at present in

career and development terms, and their organisations do not quite know how to handle them.

Senior managers do have a real problem with the emergence of these segmented positions. They are rightly wary of raising career expectations which cannot be satisfied. However, they feel uneasy with a strongly segmented strategy for career development. It does not sit easily alongside the harmonisation of other aspects of employment, nor with a culture of flatter structures, empowerment and teamworking — all representing a kind of classless employment structure.

3.6 Summary

We saw in the previous chapter that career processes have been changing significantly. We have seen in this one, that the messages sent about careers and development have also been changing — sometimes several times in the space of a few years. Organisations are still trying to define appropriate stances on career and development for the coming years. In doing this they are facing two central questions concerning alignment and segmentation.

The alignment issue concerns whether the career development position aligns with business needs. It also concerns whether the employment relationship offered to employees (in terms of security and scope for changing work roles) needs to line up with a corresponding development relationship, or whether these two aspects of the relationship with employees can operate independently.

The segmentation issue concerns the implications of offering different career and development deals to different groups within the workforce. This appears to be the reality, but is not as easy or attractive to communicate as a harmonised career development message. So the rhetoric still tends to the universal, although the underlying position is really segmented.

Organisations addressing these issues of career development strategy need to look at their business needs, but also at how their activity to date has impacted on those at the sharp end — their employees. This is the subject of the next chapter.

4. The Experience of Change — Perceptions of Employees

If we walked into a company where career strategy was effective, what might we expect if we discussed the issue of career development with employees and their managers? We might expect that:

- employees have a fairly clear idea of what the company thinks about career development, and this is reflected in public statements and policy documents
- everyone knows what processes exist to manage careers and development
- practice in relation to careers and development is broadly in line with these processes and also with the strategy.

Of course the world is not really like this. The case study research on which this report is based included discussion groups in nearly all the case study organisations. These discussions were with employees and managers, sometimes including senior executives. Although based on a small sample, these discussions were striking for the strong themes which emerged. Employees and managers alike often revealed the major gap which exists between the views and needs of the workforce on the one hand, and both the rhetoric of senior management and the interventions of HR specialists on the other. We ignore the views expressed in this chapter at our peril.

4.1 What do employees think of career development messages?

Employees have a number of ways in which they try to make sense of underlying changes in career strategy. First they look at what is actually happening to careers in their own organisations.

On the whole, employees have a very realistic view of careers, and adjust this view in the light of what they see around them. For example, younger professionals and managers are well aware that even major international companies are now constrained in the careers they can offer (*eg* Cases G, J, D). Individuals respond in different ways to reducing promotion opportunities, partly depending on their expectations when they joined. A number were taking a measured view of the relative advantages of staying with their current company or moving elsewhere.

Employees tended to feel better about careers in those organisations where their common-sense view of what was going on was reasonably honestly reflected in what senior people were saying about careers. This was the case where the senior managers had acknowledged reduced career opportunities, but also talked in a realistic way about supporting individuals in managing their development and careers.

Employees were less confident in those companies which were not linking development clearly enough to business strategy, or where little information about even the short-term future was available to employees (*eg* Cases E, K).

A particularly negative perception develops in those companies where the senior rhetoric seems to belie or ignore what is really happening to careers. So, for example, several of the case studies (*eg* Cases C, E) had high profile and very positive statements about development, at the same time as employees were very uncertain about their future. When employees feel they may go in the next 'annual cull' (as one employee put it) they want to know the company is telling them what is going on.

Employees do have a serious underlying concern with issues of career and development. This clearly showed through in the discussion groups, and also in attitude surveys conducted in these companies. They do not need senior management to tell them that employability is a key issue. So at one level they should welcome more up-front statements about career development. However, they will judge the organisation by what it delivers not what it says. This takes a considerable time. An employee in a company which had been moving to a much more positive development strategy said: *'People at the top think change has happened. People at the bottom are still waiting for real change'.*

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4.2 What do employees think of career processes?

Effective career development for most employees relies on them — and also their line managers — having a very clear idea of how careers are supposed to work in the organisation.

Most of the case study organisations, as we have seen in Chapters 2 and 3, have been changing their approach to career development, and changing their processes too. Sometimes a familiar process, such as appraisal, may change its design and purpose. Sometimes a familiar old process (such as a promotion board) may just disappear. Many new interventions (PDP's, learning resource centres, development centres, career workshops *etc.*) have sprung up.

Not surprisingly, the line managers and employees in our study have found all this immensely confusing. The lack of continuity in approaches to career development has left them unclear about:

- what processes there are for managing careers and development
- how some of the new processes work
- exactly what contribution each process is supposed to make to career development as a whole. This is often a confusion about what happens after an event, such as a development centre.

They are also puzzled and perhaps frustrated by the lack of apparent consistency in HR processes. Some processes, especially those for reward, are currently reinforcing a very short-term business focus (*eg* Case E). Line managers feel their business objectives and reward systems are sending the 'real' messages both to them and in turn to their staff about what counts. The development message can seem, by comparison, something said but not meant.

The pressure for short-term performance, combined with fewer job levels and devolved organisation structures, is making it harder for employees to move from one job to another inside the same organisation. So the rhetoric of development is at odds with an internal labour market which puts up barriers to individuals trying to manage their own careers. De-layering has knocked out the 'stepping stones' from one job level to another (*eg* Cases E, K), and in some cases organisations have become very risk averse in making promotion decisions (*eg* Case B).

Employees, and their managers, often mentioned the difficulty of moving between different parts of the organisation or between different functions (*eg* Cases O, J, A, I). A company preaching supported self-development and the virtues of lateral job movement really does need to have processes which help such moves to happen. The current climate is in some cases making employees nervous of moving to a part of the business they do not know well.

What seems to be happening is that companies have paid considerable attention to the processes for personal career or development planning, but have not seen the need for clear processes to help individuals act on those plans. The lack of processes for facilitating lateral job moves, secondments *etc.* are just one example of this. This is a key issue for managers who are often expected to facilitate the development of their staff but are not given the tools to help them make career moves. Neither are they in a climate where it is easy to release good staff. Having training and learning processes without providing open and equitable access to jobs is a major cause of current frustration.

There was also a lack of processes by which managers collectively deal with career issues. Collective action is commonplace in the succession planning arena, where succession or development committees meet together to agree career moves. It seems rare lower down in organisations. Some organisations have experimented with devolved career planning (*eg* Cases H, B, J), but such initiatives again need sustained effort to produce results. Where good early career schemes exist they are much appreciated (*eg* Case J) as offering some clarity both about the content of training and work experience required, and a process for delivering it (*ie* the 'developmental' position).

What we have seen is that for the line managers and employees in this research study there were a number of common problems with career processes. These were to do with:

- too many initiatives
- lack of continuity with processes which come and go
- lack of adequate understanding of the processes which exist
- lack of integration between processes
- lack of consistency with other HR processes (especially reward)
- some processes which seemed to be missing

Some of these are issues we return to in Chapter 5. From time to time, organisations try to address at least some of these concerns by issuing booklets which set out the career processes in place, how they work and how they fit together (*eg* Case I). Other organisations had booklets which related career development policy to processes (*eg* Case E) or set development policy in a wider context of business and HR (*eg* People Management Assurance Standards in part of Case J).

4.3 What do employees see happening in practice?

The participants in discussion groups also had some clear concerns in the area of implementing career policy and process.

The lack of continuity means that managers will tend only to use processes they are reminded about. If they do not hear about something for a while they will assume it has been discontinued — a reasonable assumption given their recent experience of HR initiatives. The HR function needs to keep up a steady flow of information about all career development processes. Managers also need to be told who to send people to for more detailed information or advice.

Many processes need on-going support from somewhere other than the line manager if they are to keep up a momentum. Personal development plans (PDPs) are a classic example of this. Companies tend to put a lot of effort into the 'launch' of something like personal development planning, but this soon fizzles out. Several of the discussion groups raised this issue of the support needed for PDPs (*eg* Cases E, K, A, D). Without such support for producing plans and — more critically — in following them up, line managers and employees gradually get cynical, let the idea lapse and the benefit is lost. PDPs look in danger of becoming the latest fad to flounder. There may come a point when a career development process takes on a life of its own, becomes embedded in the organisation and will carry on under its own momentum. However, most career development processes do not appear to do this very quickly.

In some organisations, processes for facilitating development have been around for a long time, and the strategy has always been a fairly developmental one. However, even these organisations can start to struggle when business pressures become very acute. Discussion groups in several organisations

stressed the difficulty of maintaining positive support for development in businesses where short-term pressures are now great (*eg* Cases G, N, A, D). Staff in Case D were a good example of this — working in a very developmental culture and with strong provision of learning opportunities, but finding it hard to take the time out for investment in their own learning. Staff in several of the companies felt there was a contradiction, not necessarily deliberate, between a broad development policy, and a practice of only supporting development related to the current job (*eg* Cases E, C, K).

The exceptions were often senior managers, or potential senior managers who did receive development more oriented towards their future. Interestingly, the issue of segmented career strategies was raised by line managers in several of the discussion groups in the context of the resources put into career development. Feeling under pressure to find time to help their own staff with career issues, they saw the amount of attention paid by senior staff to 'high potential' staff and senior succession as indicative of a lack of concern for everyone else (*eg* Cases J, A).

It has become the received wisdom in the last few years that the line manager has the main responsibility for delivering the career deal, whatever that might be. In the majority of the case study companies that meant helping employees to be more proactive about their own careers and development. However, as we have seen, line managers often felt they lacked the knowledge, information, skills, time, specialist support and power to respond to the needs of their staff. In other words they did not, on the whole, feel empowered by newer approaches to career development, but disempowered. They also felt guilty that this aspect of their job was one where they did not feel they performed very well, and wanted to be equipped to perform better. Employees feel frustrated by the same set of circumstances, but also sympathetic to the dilemma in which their managers find themselves.

4.4 Summary

Of course, the employees and line managers we saw were in progressive companies. They had also volunteered to talk about career issues and so we cannot assume that they are at all representative of UK employees as a whole. However, they

seemed a long way from the reluctant self-developers that senior managers think they are preaching too. They knew very well what they needed to do. They were deeply frustrated by their organisations which seemed to keep changing their minds about career development and did not put in place proper processes for dealing with these matters. No doubt, radical exponents of self-development would say these people were hankering for a bygone era of clear process — a nanny company — which they should not now expect.

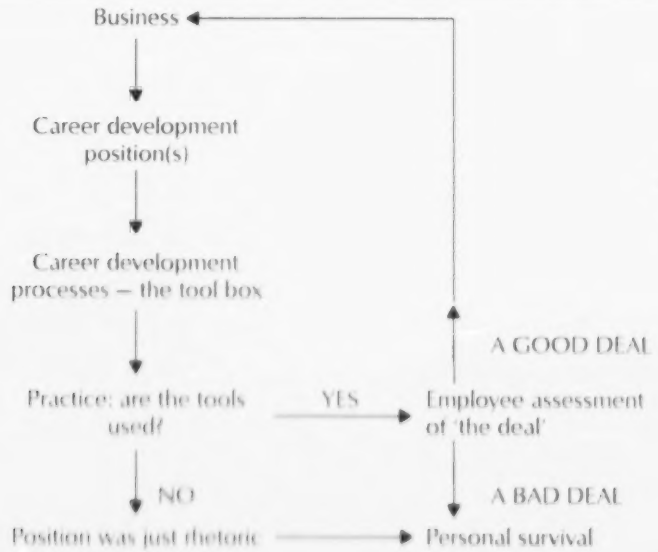
However, in the context of the previous chapter, we see here the effect on employees and their managers of gaps between the development rhetoric (often that of supported self-development) and development practice (often that of unsupported development). We have also seen the gap between an implied employment offer of 'negotiation' and a real employment offer of 'job for now'. These contradictions are deeply felt and, if not addressed, contribute to low morale and poor motivation at a time when business is under considerable pressure.

5. An Agenda for the Future — Closing the Rhetoric Gaps

5.1 Where do the key challenges lie?

This report started with a simple model of career development, showing the relationship between the business, career development processes, and career development practice. What we have seen in this research study is that HR professionals have probably paid too much attention to the middle of this model — the design of career development initiatives. Many of the crucial

Figure 5.1 : Key linkages in career development



linkages shown in Figure 5.1 have received inadequate attention.

The experience of the organisations in this research project points to three key gaps, each of which needs to be closed.

An appropriate and honest message. The first gap is between the needs of the business and the stated message from the top about careers and development. This gap occurs either because the career development position is muddled, or because it is poorly or dishonestly communicated. In particular, the real career development position may be segmented, belied by a universal message.

Workable career development processes. The second gap is between the career development positions adopted and the processes or interventions which HR people put in place. At present these processes do not seem to align with the message, they do not fit together, and they are not well understood.

Real intention to deliver. The third gap is between the formal messages (of policy and/or processes) and the reality of employment and development practices. This gap obviously occurs if the message is dishonest. It also occurs if employees see that processes are not really used, because they are not backed by appropriate commitment and resources. It is this gap which causes the workforce to see career development strategy as mere rhetoric.

These challenges need to be addressed against a backcloth of change and uncertainty in business strategy, and a shifting employment scene. It is easy to preach on these matters, and far harder to do it in practice. This chapter does not pretend that effective career development is easy, but it does seem to be an area where real improvement is crucial.

5.2 An appropriate and honest message

5.2.1 Career development which fits business needs

In Chapter 3 we have seen that simply following fashion in formulating career development strategy is unlikely to produce a position consistent with the needs of the business. And yet it seems common practice for individuals in the HR function to be asked to prepare papers for the Board on 'Career Development Strategy' at the drop of a hat and without serious senior level discussion of the implications of different approaches. They

tend either to jump to the latest bit of rhetoric at hand (at the moment probably employability or lifetime learning) without linking this with the business needs. If not, they write a strategy which lists the processes which will be used (at present probably 360 degree feedback or personal development plans) again without a clear link to a real business need.

So the first step is a serious consideration of how the organisation should position the underlying employment assumptions for various parts of the workforce, and what kind of development it will support. These are likely to be affected (for a given part of the workforce) by:

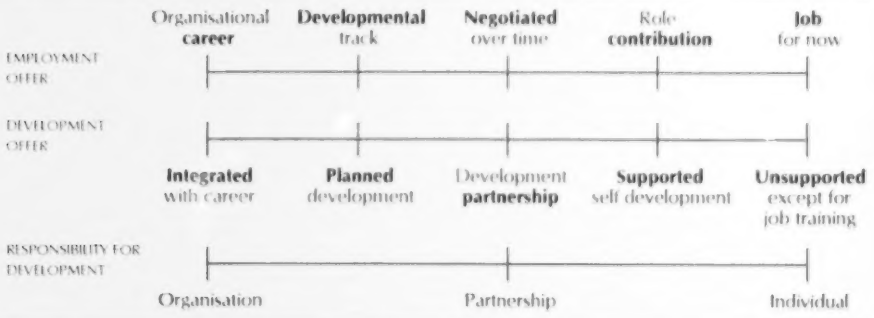
- the core competences required by the business
- the value and nature of the business contribution sought from the particular group of staff
- the supply/demand position for such staff and their skills
- whether the organisation will 'buy in' such staff or 'grow its own'
- how long they are likely to be employed
- the individuals' wants and needs from employment and development.

5.2.2 A universal message, or a segmented one?

We have identified a range of different positions on career development, as shown in Figure 5.2 below.

Each of these offer the business a different payback, and

Figure 5.2 : The career development continuum



demand in return different kinds of investment in employees. They have different implications for where the responsibility for career and development lie. They shade into each other, offering almost endless variety in exactly how the career 'deal' will be struck.

It seems likely that many UK businesses will need to adopt different career development positions for different groups within the workforce. Even within a group — for example experienced professionals — there may be individual variations in the career and development commitment offered by the organisation and desired by the individual. The career position may also change according to career stage for the same individual (most clearly seen in Case N).

As we have seen in Chapter 3, career development positions which appear to apply universally to all staff are attractive, but they do not usually meet the needs of the business. They are, in that sense, dishonest, and will not be put into practice because they really do not fit. Better an honest segmented approach to career development, than an appealing but dishonest one.

5.2.3 Alignment between employment and development deals

We have also seen that each group of staff needs to be clear about both what kind of employment relationship they have, and what access to development (including developmental work experiences) they might realistically expect. The term 'career development' combines these two elements. Global statements about 'supporting development', for example, are very unclear about whether they imply anything about future employment. They also leave unclear the extent and breadth of development implied and whether the individual will have access to more varied experiences at work as well as training.

This model of alternative career development positions goes some way to explain the reasons why career development messages are, at present, confusing. For example, some organisations in this study were sending very supportive messages about development (couched in terms of 'employ-ability' and 'supporting development') but simultaneously the climate of business uncertainty was sending very negative messages about future employment (*eg* Cases E, C, some parts

of H, K). In some cases, positive development messages backed by strong support for individuals had been put in, but subsequently there seemed to have been a retreat from the development message because of cost pressures (Cases A, F). So in a significant number of the case study organisations, a positive development message was at odds with a much more pessimistic employment message. Although, in theory, organisations can offer development as a means of helping employees ensure their employability outside the organisation, this may be a difficult position to sustain for any length of time. This research suggests that the employment and development dimensions of Figure 5.2 make most sense when they are reasonably well aligned for a particular employee group.

The very impoverished career development position represented by the extreme versions of 'job for now' seems a very dubious strategy except for jobs of both limited duration and skill.

5.2.4 Sending the message honestly

In making statements about career development to employees, these links between business needs and the message must ring true. This demands more than just appropriate strategies for the varied workforce groups; it also needs senior managers who can show:

- honesty about business circumstances, acknowledging reality even if this is uncomfortable
- honesty about segmented strategies if they exist
- an understanding of where the workforce is coming from and its aspirations
- a commitment not to change the story too often.

It may be disappointing to be told that all the organisation really wants from you is high performance in your current job, and the development you will get will be aimed at achieving this. It is not half as disappointing as being told you work for a 'learning organisation' which wants to help you 'manage your own career' — but all you will actually get is training related to your current job! This feels like getting a first class railway ticket and finding yourself in a third class compartment.

5.3 A sensible toolkit

5.3.1 Simplicity

The managers and employees involved in this study had two different complaints about the career development processes designed by the HR function. There seemed to be a proliferation of different career initiatives — really too many for them to understand. However, they also felt that some key processes were missing — most often a way of making lateral job moves happen. On the whole we seem to have overdosed on ways of helping people think about careers, and paid too little attention to the processes which facilitate action — both action to deliver development, and action to deploy people more effectively.

Chapter 2 suggests that it may be helpful to look at career development processes more in terms of their underlying function (*eg* skill development, action planning) rather their particular manifestation (*eg* development centres, PDPs, career workshops *etc.*). This may help to rationalise effort, to spot gaps, and also to explain the processes to employees.

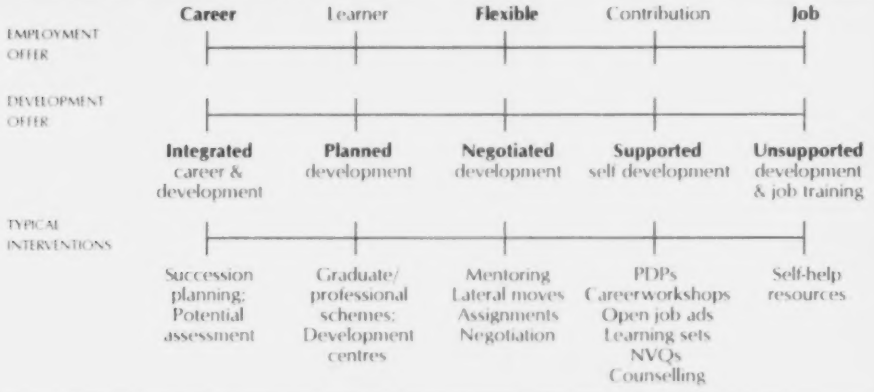
5.3.2 Coherence

The way a particular function of career development is achieved needs to be consistent with the career development position adopted. Chapter 2 has already shown how shifts in career ownership have been accompanied by shifts in process. Figure 5.3 seeks to illustrate this idea against the main career development positions identified in this research.

It is very difficult to draw up hard and fast rules here, except at the extremes. For example, 360 degree feedback may have a place under many career development positions depending on what it is being used for. So this diagram is only illustrative.

For the 'career' position, we require integration between career and development, and this is often the role played by succession planning. Assessment information (of both performance and potential) is consciously used in planning the next job moves for high potential staff, and their career plans are discussed by senior management. Succession planning also includes negotiation, both between the individual and those

Figure 5.3 : Tools fit for the purpose



planning their career, and between different senior managers who need to give access to jobs and development.

The 'negotiated' position requires processes by which the individual can formulate their own career plan, but then get the organisation to back it. So assessment can take a variety of forms as long as the individual gets clear feedback. Access to varied work experience is crucial for employability, and the missing processes are often those which might facilitate lateral career moves, secondments, job swaps *etc.* In this position the concept of negotiation between employer and employee is central. But how does this negotiation take place? Only employees with exceptional skill or very high labour market value have the power to manage this process. Hence the feeling of something missing for this growing group of employees.

The 'job for now' position theoretically requires the employer to do very little beyond job-related training. However, limited support for self-help may be offered through learning resource centres and a range of self-help careers materials. The supported self-development position needs to offer considerably more in both learning (*eg* learning sets, NVQs) and careers support (*eg* career workshops). We would argue that supported self-development also requires access to the internal labour market, hence the need for open job advertising.

Organisations with segmented career development strategies are likely to have some processes that are core to most of the

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workforce (*eg* performance appraisal, open job vacancy system, personal development planning, support for learning) and other processes which may be targeted at selected groups, either because they are of special value or because they need special help (*eg* succession planning, career workshops, mentoring).

5.3.3 Integration

Continuing this theme one step further, it is important that everyone understands how the processes fit together. In career management this is often a matter of how information flows from one process to another. This study showed relatively few examples of integrated career processes. This was reflected in the frequency with which managers or employees said something like: *'I don't understand how all these different processes fit together'.*

The clearest examples of integration were in relation to succession processes for high potential staff. In Cases J and G, for example, assessment, career planning, development planning and the means of delivering action were all brought together in the succession process.

Development programmes for senior managers are also acting as integrating mechanisms for assessment, career planning and development, but this time with much more individual involvement (*eg* Case O).

Some organisations produce simple booklets which describe both the career development strategy and the processes. Surely all organisations should be able and willing to do this?

5.3.4 Shooting yourself in the foot

Career development strategies and processes can seem very separated from other aspects of HR. Some employee development specialists are filled with zeal and see themselves as agents of culture change, hoping to convert managers and also their colleagues in the HR function. Executives coming in from other companies often fall into the same trap — importing their personal view of development and their old company's processes regardless of fit.

At the receiving end it can appear that different HR processes are at odds. For example, the pay and performance systems may

actively discourage staff development, while the career processes are trying to encourage it. So a 'negotiated' career position is often contradicted by a 'job for now' pay message, in which reward is based on current performance. For the 'negotiated' group, an old pay structure based on career progression does not fit either, especially when promotion opportunities are scarce. If the 'negotiated' career development position does become the new centre of gravity for the professional employment deal in most organisations, then pay systems indeed face a crucial challenge.

5.4 Delivering on the deal

We have looked so far at the importance of getting the message straight. We have also seen that getting career development processes simple and consistent is much more important than getting them fancy.

However, most of the case studies showed significant gaps between the rhetoric of career development and the actual experience of employees. Ironically, the negative message on employment may be worse than the reality for many employees. The problem is that individuals do not know where the axe of redundancy will fall. By contrast, the rhetoric of development can appear to promise more than is delivered and lead to disappointment, followed by frustration and cynicism.

This situation is compounded by the fact that in most organisations the deal is implicit and not explicit. Employees perceive that the deal has changed but do not know with whom they might discuss the deal on offer, or even if it is appropriate to try to negotiate themselves a better deal.

So the final hurdle lies in convincing employees and their managers that the organisation really means what it says about career development, and intends the processes to be used. This study has highlighted a number of things which stop people using the tools provided. Turning these round may point out some more positive directions for the future. We need to:

- Embed career development activity in 'normal' business processes (*eg* planning, budgeting, objective setting) — career development and the resource it requires are planned in, not asked for as a 'favour'. Managers should be expected to deliver on this agenda as on other business objectives.

- Involve both senior managers and employees in the design of specific initiatives — they have to use them after all.
- Launch new processes with care, and make sure that everyone knows what they are there for, exactly what they are expected to do and who to go to for help.
- Provide proper support for career development processes. Initiatives do not maintain themselves. They cannot be 'rolled out' and then left. Better to have fewer processes or initiatives properly supported, than many which just fizzle out when HR support is withdrawn.
- Give processes time to produce change. Development and career are both medium term concepts. The majority of companies in this study had very little continuity in their approaches to career development. They were beginning to recognise they needed more.
- Use continuous feedback and evaluation of how processes are working. This provides clear indicators of improvements and adjustments which can be made without writing yet another 'career development strategy' document.

5.5 Summary

This study has shown up issues which should be of concern to us all, and especially to senior managers and those with responsibility for employee development.

On the positive side, career development is high on the agenda of the leading companies involved in this research. The need for it to be linked to the business is also more strongly seen than in the past. Employees within these companies clearly feel the concept of 'career' is still relevant to them, and they do not need to be told that their development is crucial.

On the negative side, employees do not believe what senior managers are saying about career development. They do not believe it, because it is at odds with their current experience. Career development 'initiatives' have not helped much. They either seem gimmicky or (if useful) are not often sustained.

The clue to improvement lies in honesty and seriousness of intention — maybe unfashionable virtues. Employees know that the deal has changed. To readers of this report who have influence in this area we would say:

- Are your messages about career development appropriate and intended to be taken seriously?
- Are you serious about enabling people to act on those messages?

We hope that this research will help by highlighting recent trends, and suggesting a few simple models organisations can use to explore and clarify their strategies and processes for career development.

Appendix — Case Study Organisations

A	Financial Services	Abbey National
B	Engineering	Rolls-Royce
C	Bank	Royal Bank of Scotland
D	Electronics — software R&D	IBM UK Laboratories
E	Insurance	Zurich Insurance
F	Public sector service	BBC
G	International manufacturing group	Unilever
H	Public sector	The Civil Service
I	Public sector — part of a service organisation	Post Office Counters
J	Energy	BP Oil International
K	Communications	British Telecom
L	IT	ICL
M	Distribution Services	Lex Service
N	Accountancy	Price Waterhouse
O	Insurance	Norwich Union

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